

GOVERNMENT OF TELANGANA
ABSTRACT

Transport Department – Registration of Loan-cum-hypothecated agreements of vehicles by financial institutions–Submission of Form-34 along with hypothecation/mortgage/lease/hire purchase agreement with stamp duty of 0.5% of value of the agreement for registration –
ORDERS – ISSUED

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TRANSPORT, ROADS & BUILDINGS (Tr.I) DEPARTMENT

G.O.MS.No. 55

Dated: 26/11/2015.

Read:

From the Transport Commissioner, Telangana State, Hyderabad
Letter No.2041/S/2015, Dated 26.05.2015.

ORDER:

The Transport Commissioner, Telangana State, Hyderabad in his letter read above, has stated that, as per the Stamp Act, every agreement of hypothecation/mortgage/Hire Purchase/Lease has to be stamped at a 0.5% of the total value of the agreement. Under the Motor Vehicles Act both the parties i.e. financier and owner of the vehicle file an intimation of hypothecation etc., in form 34 before the registering authority for making entry in the certificate of registration. It is needless to say that every hypothecation/mortgage etc., should be backed by a legally valid and enforceable agreement and such an agreement should bear the stamp duty as required by the Stamp Act to be legally valid.

2. Government, after careful examination of the proposal, hereby accorded permission to insist upon for submission of the hypothecation/mortgage/Lease/hire purchase agreement which shall bear stamps at the rate of 0.5% of the value of such agreement by the owner of the vehicle at the time of submission of Form-34 which is required for recording an agreement of hire purchase, lease hypothecation etc., in the certificate of registration of relevant records subsequent to registration under sub-section (2) of section 51 of the M.V.Act, 1988 (Central Act No.59 of 1988).

3. The Transport Commissioner, Telangana State, Hyderabad is requested to take necessary further action, accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

SUNIL SHARMA
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Transport Commissioner, Telangana State, Hyderabad.

Copy to:

The Principal Secretary to Government, Revenue (Regn.I) Department,
Telangana Secretariat, Hyderabad.

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The Special Secretary to Hon'ble Chief Minister
The OSD to Hon'ble Minister (Tr)
The PS to Principal Secretary to Government, TR&B Department
SC/SF

//FORWARDED:: BY ORDER//

SECTION OFFICER